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File No.: 63215

Attorneys for: FEDERAL NATIONAL MORTGAGE ASSOCIATION ("FANNIE MAE"),  
CREDITOR C/O SETERUS, INC.

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
SAN FERNANDO VALLEY DIVISION

In re:

Mohammed S Iqbal

Debtor.

Case No. 1:13-bk-10001-AA

Chapter 11

**STIPULATION ON DEBTOR'S MOTION  
TO VALUE THE REAL PROPERTY  
LOCATED AT 38744 POND AVENUE ,  
PALMDALE, CA 93550 FOR PURPOSES  
OF CHAPTER 11 PLAN CONFIRMATION  
AND CLAIM TREATMENT**

Hearing Date:

Date: June 5, 2013

Time: 10:30 a.m.

Location: 21041 Burbank Blvd.

Woodland Hills, CA 91367

Courtroom: 303

This Stipulation is entered into by and between Debtor, MOHAMMED S IQBAL ("Debtor"),  
by and through his attorney, and Secured Creditor FEDERAL NATIONAL MORTGAGE  
ASSOCIATION ("FANNIE MAE") CREDITOR, C/O SETERUS, INC. ("Creditor") by and through  
its attorneys. This Stipulation resolves the Debtor's *MOTION TO DETERMINE THE VALUE OF  
REAL PROPERTY LOCATED AT 38744 POND AVENUE, PALMDALE, CA 93550* ("Motion to  
Value"), Docket Nos. 88-89, subject to the terms and conditions contained within this Stipulation.

**RECITALS**

Debtor Mohammed S. Iqbal (and co-obligor Luz E. Lopez, husband and wife as joint tenants), the borrower and obligor under a Note in favor of AmTrust Bank. dated April 10, 2008 in the original principal amount of \$89,600.00 ("Note") secured by an Deed of Trust ("Deed of Trust") encumbering the real property located at **38744 Pond Ave., Palmdale, CA 93550** ("Property"). The Property is legally described as:

LOT 96 OF TRACT NO. 19965, IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 531, PAGE(S) 16 AND 17 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

The Deed of Trust was recorded April 16, 2008 as Document Number 20080657258 in the Official Records of the Recorder's Office of Los Angeles County, California. The Note and Deed of Trust are collectively referred to as the "Subject Loan." Creditor is the beneficiary of, and is entitled to enforce, the Subject Loan.

On or about January 1, 2013, Debtor filed a voluntary petition under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Central District of the State of California, Case Number 1:13-bk-10001-AA. On or about March 8, 2013, Debtor filed his Motion to Value as to Creditor, Docket Item Nos. 88-89.

The matter was set for a Hearing on the date listed above; however, the parties have reached an agreement and respectfully request that this Court approve the following Stipulation:

**STIPULATION**

The Parties hereby stipulate and agree as follows:

1. This agreement supersedes the terms and conditions of Debtor's Motion to Value and the Chapter 11 Plan ("Plan"), and inclusive of all Attachments thereto, and binding in all terms on any subsequent amendment to the Plan, regardless of whether the amendment(s) is (are) pre- or post-confirmation. Debtor agrees the Plan will be amended to reflect these terms and conditions;

2. This agreement resolves any objection Creditor had to Debtor's Motion to Value, and also resolves Debtor's Motion to Value pursuant to the terms and conditions stated herein;

3. The parties agree that as of January 1, 2013, the date of filing of the Chapter 11 Petition in this case, the value of the Property is \$75,000.00, which is payable to Creditor as a secured claim;

4. The agreed interest rate is 5.00% per annum;

1           5. Debtor is to pay the agreed secured loan amount in entirety within the stated loan term. The  
2           agreed loan term is thirty years (30 years) from the date of filing, and having a modified maturity  
3           date of January 1, 2043.

4           6. Monthly payments on the loan, in the amount of \$402.62, not inclusive of any escrow, are to  
5           commence June 1, 2013, and any amounts remaining on the maturity date will be paid in full on that  
6           date;

7           7. If Creditor paid any post-petition property taxes property insurance, homeowner's association  
8           dues, or any other dues, assessments or fees/costs required to be paid by Creditor to protect  
9           Creditor's lien, Debtor is to pay that same amount to Creditor for reimbursement of these post-  
10          petition escrow advances. This amount, if any, will be paid by Debtor in addition to the total amount  
11          stated in Paragraph 3 after Creditor notifies Debtor of any amounts expended and a breakdown of the  
12          costs incurred;

13          8. The remainder of Creditor's claimed balance for the Subject Loan, approximately  
14          \$19,011.72, shall be allowed as a non-priority general unsecured claim payable under the Plan per  
15          Creditor's filed Proof of Claim and any amendments thereto;

16          9. The avoidance of Creditor's remaining balance under the Note and Deed of Trust herein is  
17          contingent upon Debtor's completion of payments of the secured claim within the stated term,  
18          completion of the Chapter 11 Plan, and Debtor's receipt of a Chapter 11 Discharge in the instant  
19          bankruptcy case, subject to all other terms and conditions stated herein;

20          10. Upon completion of the payments under the Chapter 11 Plan within the stated term, and upon  
21          Debtor's receipt of a Chapter 11 Discharge in the instant case, this Stipulation, accompanied by a  
22          certified copy of the Order on Entry of Discharge in Chapter 11, may be recorded by Debtor with the  
23          Office of the County Recorder for the county in which the Property is located, and the Deed of Trust  
24          against the Property shall be null and void and such lien shall no longer act as an encumbrance on the  
25          Property;

26          11. Debtor must maintain ample liability coverage plus adequate insurance coverage for the  
27          Subject Property, and must deliver to Creditor proof that the Subject Property is protected against,  
28          but not limited to, fire and damage to the dwelling or any fixture thereof. Creditor is to be named an  
29          additional loss payee under all property and liability insurance policies for the Subject Property until

1 such time Creditor releases its lien in public record. Debtor must maintain this insurance coverage at  
2 his own expense throughout the entire stated loan term of this agreed Stipulation, and must deliver  
3 proof to Creditor of all insurance policies, plus proof of renewal prior to expiration of the policy.

4 12. In the event Debtor fails to maintain insurance coverage during the term of this Stipulation  
5 Creditor may elect to issue payment for insurance coverage, and can charge Debtor for any fees and  
6 costs as an amount above and beyond the agreed value of the Subject Property. These fees and costs  
7 will be due and payable upon demand of Creditor and in the manner that Creditor demands;

8 13. In the event the Property is destroyed or damaged prior to the entry of a discharge order,  
9 Creditor shall be entitled to its full rights and compensation as a loss payee with respect to any  
10 insurance proceeds, up to the entire balance due under the Note, at time of loss;

11 14. Debtor must remain current on all property taxes, homeowner association dues, or other  
12 assessments or taxes ("fees" collectively) that become due post-petition against the Subject Property.

13 Debtor must remain current on all fees at his own expense throughout the entire stated loan term of  
14 this agreed Stipulation. Debtor must deliver to Creditor, within 30 days of the applicable due dates,  
15 proof that any subsequent fees not cured through the Debtor's Plan have been timely paid. In the  
16 event Debtor fails to pay any fees during the term of this Stipulation Creditor may elect to issue  
17 payment, and can charge Debtor for any fees and costs incurred as an amount above and beyond the  
18 agreed value of the Subject Property. These fees will be due and payable upon demand of Creditor;

19 15. Creditor shall retain its lien and security interest for the full amount owed under the terms of  
20 the original Note and Deed of Trust in the event the instant bankruptcy case is dismissed, converted  
21 to another chapter under the United States Bankruptcy Code, where Debtor fails to obtain a discharge  
22 under Chapter 11 of the Code, or where Debtor obtains a "hardship" discharge, or any other event  
23 that fails to provide payment to Creditor for the entire amount under the terms of this Stipulation;

24 16. In the event Debtor sells, transfers, conveys, assigns, or otherwise changes ownership of the  
25 Subject Property, whether in part or in whole, this Stipulation is deemed null and void, and Creditor  
26 shall be entitled to payment of its lien and security interest for the full amount owed under the terms  
27 of the original Note and Deed of Trust, whether or not Debtor receives any compensation therefrom;

28 17. Upon any default in the foregoing terms and conditions, Creditor shall serve a 14-day written  
notice of default to Debtor and any attorney for Debtor, followed by 72-hour telephonic notice to any

1 attorney for Debtor. If Debtor fails to timely cure the default or provide evidence of timely payment,  
2 Creditor may file and serve a declaration under penalty of perjury specifying the default, together  
3 with a proposed order terminating the stay, which the Court may grant without further notice or  
4 hearing. Any order terminating the stay based on a default of the order shall NOT include a waiver  
5 of the 14-day stay pursuant to FRBP Rule 4001 (a)(3). The order terminating the automatic stay will  
6 be binding on any subsequent conversion of this case to another chapter of the Bankruptcy Code;

7 18. After two (2) written notices of default are sent, upon the occurrence of any subsequent  
8 default Creditor will have grounds to file a declaration and a proposed order without allowing Debtor  
9 additional time to cure the default;

10 19. Creditor will charge Debtor an additional \$125.00 fee each time it sends written notice of  
11 default, and Debtor must pay this fee in addition to his monthly payment in the month immediately  
12 following the month the letter was sent. Failure to pay this fee constitutes a separate default under  
13 this agreement;

14 20. Creditor may accept any and all payments made pursuant to this Agreement without  
15 prejudice to or waiver of any rights or remedies to which it would otherwise have been entitled under  
16 bankruptcy or non-bankruptcy law, and may elect to not declare a default where an instance of  
17 default occurs, without prejudice to or waiver of any rights or remedies to which it would otherwise  
18 have been entitled;

19 21. This agreement does not change any other terms and conditions of the Note and Deed of  
20 Trust.

21 22. Where Debtor and Creditor execute a loan modification agreement ("LMA") post-petition,  
22 the LMA supersedes the Chapter 11 Plan and all amendments thereto, regardless of whether the Plan  
23 is confirmed or unconfirmed when the loan modification agreement is executed. The entire balance  
24 shown as owing under the LMA is, and will always be treated as being fully secured regardless of the  
25 terms and conditions in the Plan; where borrowers execute the loan modification, and without regard  
26 to whether execution is considered timely, it constitutes agreement with this condition without  
27 further notice.

28 23. Each party to this Stipulation shall bear its own fees and costs incurred in connection with  
this Stipulation and all Motions related hereto or referenced herein;

1           24. In signing this agreement all parties declares he or she has authority to enter into this  
2 agreement on behalf of their respective clients, and that counsels' signature constitutes consent to the  
3 terms of this agreement by each of the parties named herein.

4           25. The parties request that the Court approve this Stipulation.

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6 APPROVED AS TO FORM AND CONTENT, IT IS SO STIPULATED:

7 Dated: May 16, 2013

By: /s/ Michael J. Jaurigue

8 Michael J. Jaurigue, Esq.  
9 Attorney for Debtor

10 Dated: May 16, 2013

By: /s/ Renee M. Parker

11 Renee M. Parker, Esq.  
12 RCO, Legal, P.S.  
13 Attorneys for Creditor  
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5  
6 APPROVED AS TO FORM AND CONTENT, IT IS SO STIPULATED:

7 Dated: 5/16, 2013

8 By: Michael Jaurigue (at)  
Michael J. Jaurigue, Esq.  
Attorney for Debtor

9  
10 Dated: 5/16, 2013

11 By: [Signature]  
Renee M. Parker, Esq.  
RCO, Legal, P.S.  
Attorneys for Creditor